

# Non-departmental







***The Non-departmental budget is established for the purpose of funding programs that are not part of specific departmental or division budgets.***

## RECENT ACCOMPLISHMENTS

- Added \$1,000,000 in new funding for economic development.
- Maintained funding of \$150,000 for employee training and development and \$100,000 for reforestation.
- Added nearly \$100,000 in funding for Kansas Technical Training Initiative, Minority Business Council, U.S. Conference of Mayors and International City/County Management Association (ICMA)
- Funding of \$50,000 is allocated in 2005 for payment of bi-annual election-related expenses.
- Additional funding of \$41,000 is included for early payoff of the League of Kansas Municipalities building assessment.

## FINANCE AND OPERATIONS

Financed primarily from the General Fund, the Non-departmental budget continues all major programs and most others that have been established in the past few years. There are three distinct categories that encompass the Non-departmental budget:

### Infrastructure

The City's commitment to Economic Development is bolstered with an additional transfer of \$1,000,000 to begin in 2005. This new funding raises the City's annual level of commitment for

***New funding of \$1 million is being committed to further promote economic development activities.***

the program to a total of \$1,300,000. Objectives of the program are to explore initiatives

that sustain the long-term growth of the City's economic assets. Also, reforestation support will be maintained at \$100,000.

### Community Support

The City Manager and Administrative Services provide oversight to many of these programs. Included here are Cable TV Broadcasting of City Council meetings, workshops and occasional public service offerings – all from a budget of \$20,000. Other funded programs include \$75,000 each for Community Relations/Information and Research and Development. The Community Relations budget supports activities related to community services, facilities, functions and courtesies associated with community information.

### Organizational Investment

To maintain up-to-date industry information and provide the community with the best workforce possible, the City continually invests in employee training and development.

Funds are specifically targeted for outcomes such as customer service delivery, as well as multi-lingual training, to ensure that all citizens are given the highest quality service possible.

The City also maintains memberships in many professional organizations across the region, state and country. Several new memberships are included this year, among them the Minority Business Council and Kansas Technical Training Initiative.

The City maintains memberships in regional, state and national municipal organizations, including the National League of Cities (NLC), League of Kansas Municipalities (LKM), U.S. Conference of Mayors and the Regional Economic Area Partnership (REAP).



*In 2005, three City Council seats will be contested.  
The budget includes \$50,000 for election expenses.*



### Nondepartmental Budget Summary

	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
Personal Services	25,710	25,000	25,000	25,000	25,000
Contractual Services	358,347	403,370	505,330	596,460	490,420
Commodities	12,652	54,500	54,500	54,500	54,500
Capital Outlay	0	0	0	0	0
Other	400,000	400,000	650,000	1,400,000	1,400,000
<b>Total Expenditures</b>	<b>796,709</b>	<b>882,870</b>	<b>1,234,830</b>	<b>2,075,960</b>	<b>1,969,920</b>

### Non-departmental Budget Summary by Category

	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
Broadcasting	19,582	20,000	20,000	20,330	20,330
Election Expenses	47,102	0	0	50,000	0
Research & Development	11,364	75,000	75,000	75,000	75,000
Memberships	129,512	137,870	239,830	280,630	224,590
Economic Development Activities	300,000	300,000	550,000	1,300,000	1,300,000
Employee Training & Development	147,228	150,000	150,000	150,000	150,000
Community Relations/Information	37,242	75,000	75,000	75,000	75,000
Reforestation	100,000	100,000	100,000	100,000	100,000
Employee Recognition	315	25,000	25,000	25,000	25,000
Neighbor Districts V	4,364	0	0	0	0

For additional information, visit [www.wichita.gov](http://www.wichita.gov)!



***The mission of the Tourism and Convention Fund is to support and promote tourism and convention activity in Wichita.***

## TOURISM & CONVENTION

### RECENT ACCOMPLISHMENTS

- Increase Greater Wichita Convention Visitor's Bureau annual allocation.
- Wichita will be hosting the ABC Men's Bowling Tournament in 2011, and annual support payments for this event will start in 2004.
- Tourism & Convention Fund will continue to support the Wichita Aviation Festival.
- The final payment to support the Women's International Bowling Congress (WIBC) is in 2004.
- The final debt service payment for the Bob Brown Expo Hall is also in 2004.

### OVERVIEW

The Tourism and Convention Fund, financed through a six percent transient guest tax on hotel and motel rooms in Wichita, provides monies to support tourism and convention, infrastructure, and promotion in the City. Transient Guest tax funds are governed by the provisions of Charter Ordinance No. 91 authorizing funding of convention and tourism activities and operation or maintenance of Century II.

### FINANCE AND OPERATIONS

The Tourism and Convention Fund finances and operations are well defined and prioritized, based on language in the Charter Ordinances. Fund priorities are: 1) debt service for tourism and convention facilities, 2) operational deficit subsidies and 3) care and maintenance of Century II. Obligations connected to debt service and improvements require the major portion of the Fund's capacity. Funds are also allocated to general tourism and convention promotion, primarily through the Greater Wichita Convention and Visitor's Bureau (GWCVB).

Recent capital investments in convention facilities in the East Bank and Old Town areas have added new debt, increasing the fund's annual expenditures. Debt service on the East Bank conference center parking facility and the new Century II and Expo Hall energy complex began in 1998. Most significantly, the City's annual debt service commitment to the East Bank conference center began in 2000. The Expo Hall debt service will be paid off in 2004. However, the East Bank debt service will escalate to over \$1.2 million in 2005, which may have a considerable impact on the amount of funding available for other projects. There are two location fees also included in the 2004 budget: funding support for the Women's International Bowling Congress will be paid off this year, and funding support for the ABC Men's Bowling Tournament, schedule in 2011, starts in 2004. In 2004, Transient Guest tax is projected to increase by three percent to allow for some increases in the expenditure budget. The 2004 Revised budget included the increases for GWCVB's annual allocation, and continued support for the Wichita Aviation Festival.



Warren Theatre in Old Town. Picture taken by Darren Decker.

Tourism and Convention Fund Budget Summary					
	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
<b>Total Revenue</b>	<b>4,506,733</b>	<b>4,372,670</b>	<b>4,642,130</b>	<b>4,598,060</b>	<b>4,644,660</b>
Budgeted Expenditures:					
Century II/Expo Hall	2,544,220	2,471,700	2,453,680	2,422,960	2,414,850
Promotion / Convention	1,259,386	1,222,510	1,348,830	1,361,320	1,373,930
Tourism Initiative & Marketing	445,139	521,500	525,000	529,500	574,950
Other	147,950	152,950	379,700	304,700	304,700
<b>Total Expenditures</b>	<b>4,396,695</b>	<b>4,368,660</b>	<b>4,707,210</b>	<b>4,618,480</b>	<b>4,668,430</b>
<b>Fund Balance</b>	<b>296,219</b>	<b>179,455</b>	<b>231,139</b>	<b>210,719</b>	<b>186,949</b>

For additional information on the GWCVB visit [www.visitwichita.com!](http://www.visitwichita.com!)





***The Special Alcohol Fund is distributed to the City for the purpose of providing substance abuse treatment and prevention services.***

## SPECIAL ALCOHOL FUND

### RECENT ACCOMPLISHMENTS

The Special Alcohol fund included \$942,570 in 2003 to fund counseling contracts with delegate agencies and \$258,760 to fund innovative drug abuse programs. Anticipated receipts in 2004 and 2005 will provide resources to continue both levels of support.

### FINANCE AND OPERATIONS

Through contracts with delegate agencies, the Special Alcohol funds provide treatment and intervention services for over 5,000 citizens of Wichita and Sedgwick County annually. The mix of clients served by the agencies includes 12 percent youth clients, 37 percent female clients and 42 percent minority clients.

City Council authorized COMCARE to administer the Special Alcohol & Drug Programs. Administration activities include monitoring of delegate agency performance and their program budgets. Recommendations to the City Council for future levels have been based, in part, on results generated by COMCARE's ongoing process of measuring program outcomes, a process that began in 1998.

Expenditures from the Special Parks & Recreation fund are to be made only for the purchase, establishment, maintenance, or expansion of park and recreational services, programs and facilities. The fund provides support for the following programs: Summer of Discovery, After School Playground, Grade School Night, Teen Night, Saturday Recreation, Summer Playground, Arts Program, Hoop It Up, Greater Wichita Junior Football, programs for the disabled, city-wide athletic events, free swimming and child care. Support of qualifying programs sponsored by the Art Museum and Library may also be included.



*The Special Parks & Recreation Fund supports a variety of recreational programs, including Art programs for youth.*

### Special Alcohol Funds Budget Summary

	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
<b>Special Alcohol &amp; Drug Programs</b>					
Revenues	1,286,399	1,275,470	1,282,570	1,314,330	1,348,460
Expenditures	1,825,269	1,316,260	1,314,850	1,614,920	1,354,920
<b>Fund Balance</b>	<b>357,303</b>	<b>102,623</b>	<b>325,023</b>	<b>24,433</b>	<b>17,973</b>
<b>Special Park &amp; Recreation</b>					
Revenues	1,255,318	1,279,610	1,272,570	1,309,330	1,348,460
Expenditures	1,165,350	1,398,170	1,398,170	1,386,980	1,348,460
<b>Fund Balance</b>	<b>203,258</b>	<b>69,460</b>	<b>77,658</b>	<b>8</b>	<b>8</b>
Total FTE positions	0	0	0	0	0

For additional information, visit [www.wichita.gov!](http://www.wichita.gov!)



***The Tax Increment Financing (TIF) District budgets are established for one of two purposes. The environmental TIFs pay for remediation of pollution problems while protecting property values in polluted areas. The economic development TIFs use growth in property values within the TIF District to pay for City-financed capital improvements.***

## TAX INCREMENT FINANCING

### RECENT ACCOMPLISHMENTS

- The WATER Center cleans the contaminated water in the Gilbert and Mosley District using air sparging technology. Additionally, the Center houses environmental education and community events.
- Environmental assessments and groundwater testing continued in the Gilbert and Mosley and North Industrial Corridor (NIC) Districts.
- East Bank District 2003 revenues exceeded expectations, due to updated appraisals on several properties within the District.
- Many of the Central and Hillside improvements were completed in 2003. As businesses move into the area, the District valuation will increase.

### FINANCE AND OPERATIONS

Kansas State law (K.S.A. 12-1770) provides that costs related to the redevelopment of an area designated as “blighted” or a “conservation area” may be recovered using Tax Increment Financing (TIF). The TIF mechanism dedicates the property tax revenue resulting from redevelopment (and assumed subsequent increased property values) toward repayment of the initial redevelopment cost.

State law (K.S.A. 12-1771a) allows the City to fund the cleanup of an environmentally contaminated area using a special type of TIF. Environmental tax increment (decrement) financing involves the restoration of property values in a contaminated area to higher, pre-contamination levels and capture up to 20% of the increment of property tax produced by the valuation increase to pay cleanup costs.

The economic development TIFs comprises five separate redevelopment projects: East Bank, Old Town, 21<sup>st</sup> and Grove, Central and Hillside and Old Town Cinema. Each of these projects provides TIF financing to defray the cost of infrastructure redevelopment and/or enhancements within the districts. The environmental TIFs address groundwater contamination remediation projects and consist of two separate districts, Gilbert and Mosley and North Industrial Corridor.

**Economic Development TIFs.** Economic development TIF funds are used to pay the debt service costs associated with bonds issued to finance redevelopment costs within the districts. Redevelopment activities include improvements to sidewalks, streets, curbs and gutters, street lighting and other public infrastructure improvements and public amenities. The improvements help ensure that the areas remain vital components of the City's overall economic growth strategy.

The Economic Development Division of the Finance Department administers the economic development TIFs. The Division assists in forecasting TIF revenue, as well as establishing the mechanism and schedule for debt repayment. Expenditures are primarily debt service payments on the infrastructure improvements used in the development of the districts.

**Environmental TIFs.** TIF District #1 was established in 1991 to fund the clean up of groundwater contamination in the Gilbert & Mosley area in south central and southeast Wichita. At that time, the City entered into an agreement with the Kansas Department of Health and Environment (KDHE) whereby the City agreed to undertake the clean-up to avoid the substantial cost and stigma associated with designation as a Superfund site. TIF District #2 was established in January 1996 to fund the clean up of groundwater contamination in the North Industrial Corridor (NIC) area in north central Wichita.

### FUTURE CHALLENGES

- In the Gilbert and Mosley TIF, completion of studies and reports required by KDHE is expected in late 2004 and early 2005. Once the studies and recommendations are approved, design of pollution remediation systems can begin.
- For Gilbert and Mosley projects, financial support from potentially responsible parties (PRPs) will be critical to implementing pollution mitigation measures.
- In the NIC TIF, preliminary studies and reports are already underway. When completed, the reports will be filed with KDHE. After preliminary KDHE approval, a pollution mitigation strategy and schedule will be developed.



## Tax Increment Financing Budget Summary

	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
Gilbert and Mosley TIF Fund Revenues	2,833,851	2,805,040	5,932,000	3,005,040	3,005,040
Gilbert and Mosley TIF Fund Expenditures	2,968,142	2,573,680	3,892,990	5,715,190	3,106,080
<b>Gilbert and Mosley TIF Fund Balance</b>	<b>950,222</b>	<b>227,362</b>	<b>2,989,232</b>	<b>279,082</b>	<b>178,042</b>
North Industrial Corridor TIF Fund Revenues	1,162,834	1,213,300	1,154,000	1,195,300	1,203,300
North Industrial Corridor TIF Fund Expenditures	382,783	2,206,510	1,068,930	3,618,250	1,242,800
<b>North Industrial Corridor TIF Fund Balance</b>	<b>2,493,412</b>	<b>1,782,672</b>	<b>2,578,482</b>	<b>155,532</b>	<b>116,032</b>
East Bank TIF Fund Revenues	485,458	655,760	509,970	497,970	497,970
East Bank TIF Fund Expenditures	5,000	655,850	492,850	1,050,400	545,350
<b>East Bank TIF Fund Balance</b>	<b>583,741</b>	<b>13</b>	<b>600,861</b>	<b>48,431</b>	<b>1,051</b>
Old Town TIF Fund Revenues	371,385	421,890	706,400	700,400	685,400
Old Town TIF Fund Expenditures	202,220	270,600	270,600	1,624,450	685,510
<b>Old Town TIF Fund Balance</b>	<b>506,225</b>	<b>7,110</b>	<b>942,025</b>	<b>17,975</b>	<b>17,865</b>
21 <sup>st</sup> and Grove TIF Fund Revenues	19,232	33,190	79,880	79,880	79,880
21 <sup>st</sup> and Grove TIF Fund Expenditures	21,770	33,190	89,040	79,880	79,880
<b>21<sup>st</sup> and Grove TIF Fund Balance</b>	<b>9,162</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>2</b>
Central and Hillside TIF Fund Revenues	0	1,143,800	97,230	1,127,600	1,127,600
Central and Hillside TIF Fund Expenditures	0	1,143,800	97,230	1,127,600	1,127,600
<b>Central and Hillside TIF Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Old Town Cinema TIF Fund Revenues	0	204,740	181,640	181,640	181,640
Old Town Cinema TIF Fund Expenditures	0	278,060	181,640	181,640	181,640
<b>Old Town Cinema TIF Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Total FTE positions	1	1	1	1	1

For additional information on Tax Increment Financing visit [www.wichita.gov](http://www.wichita.gov)!





***The Self-Supporting Municipal Improvement District (SSMID) is established to promote downtown and foster economic growth and vitality in the downtown area.***

## SELF-SUPPORTING MUNICIPAL IMPROVEMENT DISTRICT

### OVERVIEW

In 2000, the City Council approved the formation of a Self-Supporting Municipal Improvement District (SSMID) in downtown Wichita. The SSMID is a benefit assessment district created to improve and convey special benefits to properties located within the central business district of Wichita. The district was endorsed by a majority of downtown property owners with the stated purpose of financing improvements and services in the central business district on a supplemental basis. Activities funded by the SSMID will supplement, not replace, existing downtown promotion/marketing activities.

Under State law, the District has a 10-year lifespan, with SSMID funds available beginning on January 1, 2002. After 10 years, the SSMID may be renewed by repeating the district formation process. The district currently levies an additional 5.95 mills of property tax on commercial properties located within the district to support SSMID activities; State law provides that up to 10 mills may be levied for this purpose. This additional tax revenue is dedicated solely to SSMID activities.

The SSMID is governed by the City Council. The Kansas SSMID statute allows for the creation of an advisory board to submit operating plans and budgets to the Council, and to provide assistance in policy direction for SSMID-funded activities. Voting members of the SSMID Advisory Board must be property owners and/or lessees of commercial property (or corporate designees) within the District, and must provide evidence that they pay SSMID assessments.

### FINANCE AND OPERATIONS

The goals of the SSMID include providing a strong, unified voice for the downtown area; strengthening downtown's competitiveness to attract and retain businesses; and protecting and enhancing downtown property values. Supported activities include image enhancement, marketing, business retention and recruitment, urban vitality improvements and operational activities.

Self-Supporting Municipal Improvement District Budget Summary					
	2003 Actual	2004 Adopted	2004 Revised	2005 Adopted	2006 Approved
<b>SSMID Fund Revenue</b>	<b>519,887</b>	<b>565,000</b>	<b>565,000</b>	<b>591,150</b>	<b>614,790</b>
Contracted program activities	470,000	540,000	564,880	566,150	614,790
Loan repayment	25,000	25,000	25,000	25,000	0
<b>Total SSMID Fund Expenditures</b>	<b>495,000</b>	<b>565,000</b>	<b>589,880</b>	<b>591,150</b>	<b>614,790</b>
<b>SSMID Fund Balance</b>	<b>24,887</b>	<b>0</b>	<b>7</b>	<b>7</b>	<b>7</b>
Total FTE positions	0	0	0	0	0



### **Orpheum Performing Arts Centre**

*One of the first "atmospheric" theaters when it was built in 1922, the Orpheum hosted vaudeville, other live performances, and films before closing in 1976. Star performers included Ella Fitzgerald, Jan Garber and Harry Blackstone. Restoration has been completed and the new facility is known as the Orpheum Performing Arts Centre. It periodically presents classic films and other events. It is now owned and operated by the Orpheum Performing Arts Centre, Ltd., a non profit corporation which is dedicated to the preservation, restoration and ongoing utilization of this important part of Wichita's cultural and architectural heritage.*